THE MBE NEWS OBSERVER

The VIRGINIA DEPARTMENT of MINORITY BUSINESS ENTERPRISE (VDMBE)

The MBE News Observer is a bi-annual VDMBE Publication Spring/Summer Quarter 2002 -- Volume III, Issue No. 3

Inside this Issue

- 1 HOMELAND SECURITY: Contract Opportunities
- 2 From the Director Commentary: WHAT's IN A NAME?; VIRGINIA DISTRICT SCORE and the FAIRFAX COUNTY GOVERNMENT: VDMBE's Newest Strategic Partners
- 3 The Best of the Best MBEs: VDMBE CELEBRATES FIRST AWARDS PROGRAM
- 4 The Best of the Best MBEs: VDMBE CELEBRATES FIRST AWARDS PROGRAM (Continued)
- 5 Youths on the Move: TEEN ENTREPRENEUR--BRYCE ROBERTSON; VDMBE INTERN--LEONDA JIGGETTS
- 6 Business Community Profile: LOUISA STRAYHORN; BLACK ENTERPRISE MAGAZINE NAMES 17 VIRGINIA FIRMS TO ANNUAL LIST OF TOP 100s; VIRGINIA CHAMBER OF COMMERCE's 'FANTASTIC 50
- 7 Awards and Tributes: LEAGUE OF KOREAN AMERICANS; MINORITY BUSINESS PROFESSIONAL'S AWARDS; NATIONAL FEDERATION OF BLACK WOMEN BUSINESS OWNERS; U.S./SBA 2002 AWARDS
- 8 THE MYTH OF FREE GOVERNMENT MONEY; EMERGING BUSINESS FORUM 2002
- 9 The Invisible Minority in Virginia's Business Community . . . VIRGINIA'S NATIVE AMERICANS
- 10 (Back Page) VDMBE: HUMBLE BEGINNINGS; FIRST DIRECTOR RECEIVES AGENCY AWARD; CERTIFICATION NEWS; next issue: Community Profile on MICHEL ZAJUR, CEO/PRESIDENT of the VIRGINIA HISPANIC CHAMBER OF COMMERCE

The Virginia Department of Minority Business Enterprise 200-202 N. Ninth Street, 11th Floor Richmond, Virginia 23219 (804) 786-5560 (800) 223-0671 (Virginia Only) (804) 371-7359 (Facsimile) E-mail: dmbe@dmbe.state.va.us Website Address: www.dmbe.state.va.us

HOMELAND SECURITY IS I.T.

By Raynard Jackson

Special to the MBE News Observer



The 4-1-1 on Homeland Security Contract
Opportunities--Homeland Security is all about

I.T. (Information Technology). This presents some great opportunities to small and minority business communities. But . . . let's be clear on where the opportunities are *not*.

U.S. Homeland Security Director, Tom Ridge has no (I repeat **NO**) contracting authority! His office is being inundated with requests for meetings to talk about business opportunities, but he has no statutory authority to orchestrate contracts. At best, Mr. Ridge is a traffic cop for homeland security. So, please conserve your precious energy and time for following the money trail.

Most of the money for Homeland Security is being funneled through the U.S. Department of Defense (DoD) and the U.S. Department of Transportation (DOT). Within DOT, the newly created Transportation Security Agency (TSA) is becoming the

... the big fight in getting contracts for homeland security is, whom do you talk to?

dominant player on homeland security contracting opportunities; and, from TSA, the money will come down to the states.

Traditionally, DoD is the engine for

technological inventions because of the size of their R & D budget. They are looking for technologies that can be deployed immediately in regards to homeland security. But the big fight in getting contracts for homeland security is, whom do you talk to? Because, without key relationships, there's a long road to travel. Area companies, such as Computer & Hi-tech Management, Inc. (CHM), Technica Corporation, Dynamic Concepts Incorporated (DCI), and Triumph Technologies have a leg up on the competition because they already have relationships within DoD and DOT; these relationships will facilitate getting them on the radar screens of the procurement decision-makers within these departments.

TSA was created with a gaping structural problem for the small business community. In 1996, the Federal Aviation Administration (FAA) was exempted from the Federal Acquisition Regulations (FAR's) by an act of Congress. This basically exempted them from having to meet certain small business goals (I won't bore you with all the details). DOT was successful in getting the newly created TSA exempted from the FAR's also. So, without key relationships, the odds of a minority/small business being able to do significant business with TSA are minuscule. Small business advocates like Senator John W. Warner, Congressman Tom Davis and Congressman Frank R. Wolf have been invaluable to many such firms in gaining access to the decision -makers. The important thing for entrepreneurs is to understand the "politics of business." Securing homeland security business is very political.

Still . . . if your business is interested in new contracting opportunities, then homeland security is definitely *I.T.*

Raynard Jackson is President/CEO of Raynard Jackson & Associates, Inc.—a political consulting/government affairs company that works with small and minority firms throughout the country. E-mail Mr. Jackson at: rja1223@cs.com MARK YOUR CALENDAR: On July 11th, 2002, VDMBE & the OFFICE FOR COMMONWEALTH PREPAREDNESS Jointly Present a Workshop on: HOMELAND SECURITY CONTRACT OPPORTUNITES. More information, e-mail: dmbe@dmbe.state.va.us

MBE NEWS OBSERVER

From the Director



The following was inspired by concerns sand comments from VDMBE clients

Perception. Much of life revolves around, reacts to the predisposition that we have towards what we experience. If you experienced Pittsburgh, PA during its early years, you might automatically envision smoke stacks and soot in spite of its new, urban image. Mention broccoli, and even a former President will refuse to consider eating it.

The terms "minority" and "disadvantaged"—labels created from judicial edicts—elicit responses of varying degrees. These terms originated as labels for African- Americans, and now extend to Hispanics, Asians, and Native Americans; they can also include women, the disabled, and the socially and economically challenged communities. Quite confusing at times. Most of the times, though, it means people of color who are economically and socially challenged. Confusing again. If I am educated, able to compete, comfortable mingling socially with anyone, am I the one who is challenged or the individual or system whose perception will not allow me to exercise my freedoms because it perceives because of my label—that something is wrong with me? Hmmm . . . Let's explore further.

In the arena of education and business competition, labels can be detrimental to growth. To MWDBEs, (minorities, women, and disadvantaged business enterprises) this label can elicit negative responses when competing for contracts if the environment in which the competition takes place is resistant to change from that of "the good old boys' network" (you know—the one in which John Boy's next door neighbor's cousin's uncle seems to always receive the best contracts) to that of open competitiveness and outreach to a diverse market. In this arena, the labels

"minority" and "disadvantaged" create a predisposition in procurement officers that render them incapable of establishing relationships with potential clients from diverse backgrounds regardless of the value of the product or service. For instance, to gain a few points in the Hispanic community, one state government agency added a Spanish translation to its web site - but, instead of hiring a capable Hispanic firm (and there are many), the agency contracted a firm from Ireland to do the work. Why? Was it the fear of stepping outside a comfort zone? Maybe so. Maybe not. Either way, the message sent was quite discomforting.

Very often MWDBE's complain that they sometimes hesitate using a label because, when they do, the contracts slow down. Same product or service. Different label.

Whether it's business processes or supplier diversity, state and local governments are truly the last plantations for change of any kind. As a quasibusiness organization, a governmental institution's inability to keep pace with the private sector is detrimental to itself, and to the diverse communities it serves.

Therein lies the problem with labels. Predisposition. Just as we provide euphemisms for many functions and job categories, i.e., janitors (sanitation engineers), sales clerks (customer service representatives) in order to enhance inward and outward perception, it's time to re-label all people competing for business who did not arrive on the Mayflower, the Nina, the Pinta, or the Santa Maria. I have not met one owner of a diverse business who appreciates the labels "minority or "disadvantaged" moreover, in a few years, they won't be in the minority any longer. However, these businesses do understand that, in order to receive any portion of the playing field, some type of label is necessary.

And so, as an African- American, Anglo, Cherokee Indian female, I vote for the following labels: "emerging markets", "diverse communities", "supplier

Spring/Summer 2002

diversity", or, "open competitiveness." However, my vote is based on a desire to see changing government cultures that encourage entrepreneurial growth in emerging communities. That would be applying the principles on which America was established. Wouldn't it?

All the best to you!

Allegra F. McCullough, Director

VDMBE's NEWEST PARTNERSHIPS

The establishment of strategic community partners is essential to the delivery of VDMBE programs. To that end, VDMBE is proud to acknowledge the following community entities as partners who strengthen our outreach through a reciprocal agreement to share information between our respective memberships.

Fairfax County Governments: in March 2002, VDMBE signed a joint Memorandum of Agreement (MOA) with Fairfax County's Small Business Commission and the Department of Purchasing and Supply Management. This MOA affirms a unique partnership between a State government and two government localities.

SCORE—VIRGINIA DISTRICT: In

April 2002, VDMBE signed an MOA with SCORE's Virginia District. SCORE is a business association dedicated, through counseling, workshops and education, to the improvement of small businesses; SCORE operates as a resource partner to the U.S. Small Business Administration (SBA). VDMBE's partnership with SCORE will expand business counseling services to minority and disadvantaged businesses throughout Virginia.

Strategic partnerships are essential for the delivery of progressive business services to minority and disadvantaged communities.

VDMBE Presents First Awards Program: BEST OF THE BEST MBEs for 2001

VDMBE's 2001 ANNUAL WINTER NETWORKING & AWARDS PROGRAM

On December 16th, 2001, the Virginia Department of Minority Business Enterprise held its 2001 Annual Winter Networking Reception and Awards Program at the Virginia Museum of Fine Arts in Richmond; but last year's Reception initiated a tradition that VDMBE's Director, Allegra McCullough, hopes will continue—an *Annual Best of the Best Awards* program that acknowledges *some* of the *best of the best* minority businesses among VDMBE's growing

clientele.

In addition to recognizing VDMBE's private and public sector strategic partners, the 2001 Annual Networking Reception presented (15) minority-owned companies with awards, naming each of them a VDMBE's 2001 Best of the Best MBE.

The fifteen finalists were selected from a Nominations List originally comprised of forty companies chosen from VDMBE's database of 2000-plus certified minority, disadvantaged and women-owned businesses. Several business and marketing analysts made up the panel of judges voting on the fifteen finalists.



VDMBE's Best of the Best MBEs 2001 Finalists.

Companies in alpha-order: Choice Communications of Richmond; Dimensions International of Alexandria; DNDS.com of Richmond; Esther H. Vassar & Associates of Newport News; E. Ann Jackson, Inc. of Petersburg; Jewell Industries of Alexandria; JRON Associates, Inc. of Portsmouth; K & M Enterprises of Richmond; LAM Associates, Inc. of Vienna; Mirror Enterprises, Inc. of Richmond; REMSA, Inc. of Newport News; Ronson Communications of Alexandria; RS Information Systems of McLean; SOZA & Company of Fairfax; SUPRA Corporation of Falls Church

VDMBE's 2001 Annual Networking Awards and Reception attracted more than 300 minority businesses, organizations, Local, State and Federal government officials from throughout Virginia, Washington, DC and Maryland. For more information on VDMBE's 2001 Annual Winter Networking and Reception program, see this issue's Back Page; to view a slide presentation of the 2001 Awards' portion of the program—including biographies on the fifteen MBE finalists—visit website address: www.dmbe.state.va.us

MARK YOUR CALENDAR: The 2002 Reception and Awards program will take place once again at the Virginia Museum of Fine Arts; the program is scheduled for Sunday, December 8th, 2002; for more information, e-mail: dmbe@dmbe.state.va.us

VDMBE Vision Statement:

THROUGH DEVELOPING STRATEGIC PARTNERSHIPS AND ENCOURAGING JOINT-VENTURING OPPORTUNITIES BETWEEN MINORITY BUSINESSES AND PRIVATE AND PUBLIC SECTORS, THE VIRGINIA DEPARTMENT OF MINORITY BUSINESS ENTERPRISE ENABLES SUCH ENTERPRISES TO PARTICIPATE IN THE COMMONWEALTH'S ECONOMIC PROSPERITY.

Pictured above: VDMBE's Strategic Partners at 2001 Annual Winter Networking and Reception program.

VDMBE Strategic Partners in alpha-order: Central Virginia Business Assoc. (Charlottesville); Dan River Small Business **Development Center** (Southside Virginia); Emerging Business Forum; Fairfax County Governments; League of Korean Americans (LOKA-USA); Metropolitan Business League (MBL); Metropolitan Washington Airports Authority; National Black Farmers Assoc.; Pakistan American Business Association (Northern Virginia); Regional Small Business Innovation Research programs (SBIRs); SCORE: Small Business Counselors (Virginia); Urban League (Virginia chapters); U.S. Pan Asian American Chamber of Commerce: USDA's Rural Development Office (Virginia); Virginia Beach Minority Business Council; Virginia Foundation for the Humanities/Public Policy; Virginia Hispanic Chamber of Commerce; Virginia Regional Minority Supplier Development Council (VRMSDC); Virginia's Eight (8) Native American Tribes.

"... As a member of the Senate Finance Committee, we have all worked together with the Governor's office and other members of the legislature to make VDMBE stronger than it has ever been. It is without any doubt the BEST of the BEST."

Senator Benjamin J. Lambert, III, 9th Senatorial District—November 6, 2001

VDMBE Presents First Awards Program: BEST OF THE BEST MBEs for 2001

VDMBE's **2001 ANNUAL WINTER NETWORKING & AWARDS PROGRAM** (Continued from Page 3)

VDMBE: Executives-on-Loan-Committee (EOLC) Members

"The superb success of VDMBE's P.A.C.E. (Providing Access to Capital for Entrepreneurs, supported by the Capital Access Fund) would not have been possible without our EOLC." Allegra McCullough, VDMBE Director.

VDMBE's P.A.C.E. program has also formed strategic partnerships with the following financial institutions: **Consolidated Bank & Trust** (Richmond); **SunTrust Virginia** (Loan Loss Reserve Fund-Richmond); **Wachovia Bank** (Virginia); **James Madison Bank** (Northern Virginia); and **First State Bank** (Danville).

Pictured: EOLC members at VDMBE's 2001 Annual Winter Networking & Awards program at the Virginia Museum of Fine Arts.



The EOLC were acknowledged at VDMBE's 2001 Annual Winter Networking & Awards Program. Listed in alpha-order by last name, the EOLC members are: Hanif Akhtar, Pakistan American Business Assoc.; Fatima Caldas, BB&T Bank/Fire Solutions, Inc.; Margo Clarke, Urban League of Richmond; Hank Coleman, Richmond Economic Development Corp.; Terrance Garrett, SUPRA Corporation; Tim Hanger, SunTrust Bank; Adele Johnson, Virginia Regional Minority Supplier Development Council; Dr. Ronald Johnson, Ronson Communications; Dr. Donald Jones, University of Virginia; Dr. Dianne Reynolds-Cane, International Health Care Systems; Lynda Sharpe-Anderson, Metropolitan Business League; Louisa Strayhorn, Louisa Strayhorn and Associates; John Townes, Fairfax City Small Business Commission; Dr. Robert Wright, Dimensions International. Inc.

VDMBE's Diversity Procurement Partners

"Acknowledging VDMBE's government/ institution partners during our 2001 Annual Winter Networking and Awards Program was a pleasure. Through their diligent and fair use of procurement practices, these partners have earnestly demonstrated a strong support of Virginia's minority and disadvantaged business communities. Such commitment is valued . . . and needed." Allegra McCullough, VDMBE Director.

An MBE Best of the Best Fact:

"The Commonwealth of Virginia has one of the most diverse populations in the country—

a diversity that brings value-added experiences to the table."

Allegra McCullough, Director of VDMBE—December 16th, 2001

Pictured below: VDMBE's Diversity
Procurement Partners during 2001 Annual
Winter Networking & Awards Program at
the Virginia Museum of Fine Arts.



VDMBE's Diversity Procurement Partners, listed in alpha-order by last name, they are: **Dr. Douglas Covington**, President/Radford University; **Queen Crittendon**, EEO/Virginia Department of Transportation (VDOT)-Suffolk District; **C. Edward Gibbs**, Procurement Director, Virginia Commonwealth University; **Jim Harrison**, VDOT-Hampton Roads Bridge Tunnel; **Dr. Donald Jones**, MBE Procurement Director, University of Virginia.

National Best of the Best Majority-owned Companies supporting a multi-cultural workforce (partial listing):

- ✓ Advantica
- ✓ Fannie Mae
- ✓ McDonald's
- ✓ Xerox
- ✓ Lucent Technologies
- ✓ BellSouth
- ✓ Dole Food
- ✓ PepsiCo
- Levi Strauss
- ✓ Levi Strauss
 ✓ Freddie Mac
- U.S. Postal Service
- ✓ Newport News Shipbuilding
- ✓ United Parcel Service
- ✓ Verizon Communications
- ✓ American Express
- ✓ Pitney Bowes
- ✓ Du Pont
- Colgate-Palmolive
- ✓ Coca-Cola
- ✓ FedEx

Posted by Fortune Magazine on-line. Source: Center for Responsibility in Business—July 9, 2001

To view full list, visit website: www.fortune.com/lists/diversity/index.html

MINORITY YOUTH BUSINESS NEWS



Good Business Sense . . . passing it on to tomorrow's leaders.

Mechanicsville, Virginia Resident Nominated for Black Enterprise Magazine's 2002 *Kidpreneur* Award

Undoubtedly, fourteen-year-old Bryce Robertson of Mechanicsville, Virginia is one of Virginia's most promising young entrepreneurs—and this was most noted when he was nominated to receive Black Enterprise (BE) Magazine's *Kidpreneur* Award; nominees participated in BE's May 2002 conference.

Since the age of 4, Bryce has been an avid computer user. At the age of 10, after watching a television show about young entrepreneurs, Bryce decided to start a business venture in the



Bryce Robertson, owner of Low Tech Web.Com

technology field. In 1999, he started Low Tech Web.com—a sole proprietorship that designs and maintains websites for businesses and community organizations.

Bryce's clients include Daniels and Associates, Fairfield Commons Mall, The Crazy Greek, and Friends Association for Children. In addition to his making BE's Kidpreneur Award nominations' list,

Bryce's success in the technology business has netted him other accolades, including an award from the Virginia Council on Economics.

Technology was the focus of BE's awards gala for this year, and Bryce learned just how in need his services are in the minority business community. According to Eric Renaud, a Microsoft executive who was a speaker at the ceremony, only 10% of the 800,000 Black-owned businesses in the United States have websites; this has prompted Robertson to plan on expanding his services through consulting and employee recruitment.

Bryce—an articulate young man with impeccable manners—is an eighth grader at Chickahominy Middle School in Hanover County, where he is an honor student and president of the Student Council Association. His hobbies include bike riding, watching movies, and golf. His future career goals include becoming a neurosurgeon. When asked what he would suggest for parents to advise their children on being successful, Bryce said: "To aim for more than just average . . . that's what my parents told me."

To find out more about services offered by Low Tech Web.com, you can visit the website at www.lowtechweb.com. You can also send Bryce an e-mail at info@lowtechweb.com.

If you have a story about a successful young entrepreneur you would like to share with the *MBE News Observer*, e-mail your information to Ms. Yolanda Boone at: dmbe@dmbe.state.va.us

VDMBE--Encouraging Tomorrow's Business Leaders

For more than five years, the Virginia Department of Minority Business Enterprise (VDMBE) has partnered with Richmond Public Schools' Cooperative-Office Education Program (COE). The COE program is designed to assist students in gaining office experience and on-the-job training. VDMBE's successful joint venture with COE provides the school system with department representatives to speak to business-major students when needed, and allows VDMBE to hire student interns registered in the COE program.

COE intern, Leonda Jiggetts—a seventeen-year-old senior at John Marshall High School—has just ended a busy, productive tenure at VDMBE. Leonda came to the COE program as a sophomore, and prior to her arrival at VDMBE, she worked at the Virginia Department of Agriculture. In addition to her paid internship at VDMBE, Leonda receives an additional high school credit for her completion of the COE program. As an added plus, her grade point average, which is above 4.0, means she will graduate fourth in her class; she plans to attend Old Dominion University this Fall.

Leonda said working at the Department of Minority Business Enterprise has been educational and exciting. Her job duties included her participating in the preparation and execution of public events, and to observe some of the happenings in Virginia's diverse minority business communities. "We are thankful to have had this opportunity to work with Leonda," Allegra McCullough, Director of VDMBE. "The department's mission is to encourage minority businesses, and encouraging leadership and entrepre-

neurship qualities in our youth is an essential part of that mission."

Pictured: on the job interview— VDMBE intern, Leonda Jiggetts, being interviewed by Richmond Times Dispatch reporter about working in the COE program.



COMPUTERS FOR YOUTH IN LOW-INCOME COMMUNITIES

The Help Us Help Foundation assists K-12 public schools and youth organizations in economically challenged communities to obtain information technology tools. Grants of computer equipment and software are available to schools and youth organizations that provide educational programs in low-income communities. The deadline to apply is August 31, 2002. For complete guidelines and application forms, visit the Help Us Help Foundation's web-site at: www.helpushelp.org.

Strayhorn & Associates (LSA)

BUSINESS COMMUNITY PROFILES: Thumbs Up!

The spotlight is on VDMBE Executive-on-Loan-Committee member: LOUISA STRAYHORN

LOUISA STRAYHORN Controlling the Dragons of Change" A professional in than 25 years, Louisa Strayhorn clients throughout the Caribbean. Strayhorn is

the business world for more Hampton Roads resident. has serviced numerous United States and the

the founder and president of Louisa a Virginia Beach-based transition

consulting company for domestic and international businesses; also, while running her own company, Strayhorn managed the Southern region of the United States for govONE Solutions, LP—a company providing businesses and consumers with government payment options. The team of professionals at LSA has years of experience dealing with the challenge of change; in fact, Strayhorn's company's motto - 'control the dragons of change to simplify business development – appears to synopsize her overall business philosophy.

A former City Council and School Board Member for a city of 400,000 with a budget of one- billion-plus, Strayhorn is a sought-after government lobbyist and prolific lecturer who has spoken on such subjects as: managing change, assessing internet technology needs for governments, reengineering operational processes and workforce motivation. She has also presented at copious regional and national forums, to include: the American Association of School Personnel Administrators, the National League of Cities, the Conference of Minority Public Administrators, the Philippine Nurses Association Conference, the National Urban League, and the National Black Caucus of Local Elected Officials Conference.

"thumbs up' to one of VDMBE's most indomitable partners – LOUISA STRAYHORN. You can e-mail Louisa Strayhorn at: <u>TransitionConsulting@hotmail.com</u>; visit Strayhorn's website at: www.louisastrayhornandassociates.com

BLACK ENTERPRISE NAMES SEVERAL VIRGINIA BUSINESSES TO LIST OF TOP 100s

The June 2002 edition of Black Enterprise (BE)—widely respected for its up-to-the-minute facts on minority business issues—presented the magazine's 2001 list of the top 100-plus African-American owned businesses in the U.S. This year's list is comprised of 300

businesses, across the country, specializing in all areas of industry and commerce.

Seventeen of the 300 companies are Virginia firms, and VDMBE sends a proud

'thumbs up' to the following Virginia certified companies for making BE's Top 100 African-American owned firms:

- 1) Advanced Resource Technologies of Alexandria
- 2) Brooks Food Group of Bedford
- 3) Consolidated Bank & Trust Company of Richmond
- 4) Dimensions International, Inc. of Alexandria (owner pictured on the right)



One of Black Enterprise's Top 100s: Dr. Robert Wright, CEO of Dimensions Int'l., Inc. and VDMBE 2001 Best of the Best MBE

17 VIRGINIA FIRMS MAKE BLACK **ENTERPRISE's LIST OF TOP 100s**

- (The Edgar Lomax Company of Springfield
- **Hughes Capital Management of** 6) Alexandria
- 7) Omniplex World Services Corp. of Chantilly
- 8) RS Information Systems, Inc. of McLean (owner pictured below)

One of Black Enterprise's Top 100s: Rodney P. Hunt,

CEO of RS Information Systems, Inc. and, **VDMBE** 2001 Best of the Best MBE



- Thompson Hospitality of Sterling
- 10) Universal Systems & Technology, Inc., (Unitech) of Centreville

VDMBE FIRM RECEIVES AWARD FROM VIRGINIA CHAMBER OF COMMERCE'

May 8th, 2002 ushered in a splendid evening of high-spirits when the Virginia Chamber of Commerce's threw its popular 'Fantastic 50 Awards' Networking Reception at the Richmond Marriott. The program showcased some of Virginia's finest companies; among the fifty companies honored was SUPRA, Corporation. VDMBE

sends a proud "thumbs up' to SUPRA -another VDMBE certified company.



SUPRA Corporation-- One of the Virginia Chamber of Commerce's 'Fantastic 50' Pictured: Terrance Garrett, CEO/ SUPRA Corporation (center with lens flare above him) with two clients and the SUPRA staff; second from the left, Allegra McCullough, VDMBE Director.

VIRGINIA MINORITY BUSINESS DIRECTOR SAYS: "AWARDS BELONG TO THE *ENTIRE* BUSINESS COMMUNITY"

For the past two years, the Virginia Department of Minority Business Enterprise (VDMBE) has worked diligently to promote the agency's image in business communities throughout the Commonwealth, Washington DC and Maryland. December 2001 through May 2002 were rewarding months for these efforts when Allegra F. McCullough—Director of VDMBE since August 2000—received several awards from notable organizations for her

steadfast civil service to minority and disadvantaged business communities throughout Virginia.

"I couldn't have earned these awards by myself," said Allegra McCullough, who is modest when queried about the awards. "Any acknowledgements I've received are due to the hard work of my staff, and having teamed with such dedicated strategic partners and minority business owners. To me, the awards I've received belong to the *entire* minority business community . . . and though it's sometimes hard, frustrating, tedious work, it is still a pleasure to serve them."

In July 1998, Ms. McCullough became the first minority in the history of the Commonwealth to hold a gubernatorial appointment position as Assistant Secretary of the Commonwealth; in this position Commonwealth's first outreach program for minority and disadvantaged communities. In August 2000, when former Governor Jim Gilmore appointed Ms. McCullough to head the VDMBE, her challenge was to re-establish,

build and maintain minority business initiatives within government and the private sector. Her two-year tenure at VDMBE includes an aggressive outreach effort into disadvantaged business communities throughout the Commonwealth. These efforts have already resulted in a sharp increase in the number of businesses certifying with the department, as well as the number of service requests from out-of-state businesses and governments, to include rural Virginia, the Washington DC and Maryland corridor, North and South Carolina, Georgia and Louisiana.

In December of 2001, the League of Korean Americans, USA (LOKA-USA) selected Ms. McCullough to receive the organization's Community Service Award. This award recognized community leaders for excellence in services to ethnic communities. For more information about LOKA-USA, e-mail: lokausa@acninc.net

On February 14th, 2002, during the National Federation of Black Women Business Owners' (NFBWBO) Ninth Annual 'Black Women

of Courage' Luncheon, NFBWBO presented Ms. McCullough with their 'Daisy Bates Small Business Advocate' Award.

On May 23rd, 2002, during an up-scale gala affair on the Waterfront in Washington DC, the Minority Business and Professionals Network, Inc. (MBPN) acknowledged Ms. McCullough as one of "Fifty Influential Minorities in Business". Ms. McCullough and forty-nine other honorees—representing a cross-sector of government and private sector individuals—received awards for having achieved significant levels of success in their

professional careers. For more information about NFBWBO, write to: 1500 Massachusetts Avenue, NW, Suite 34, Washington DC 20005.

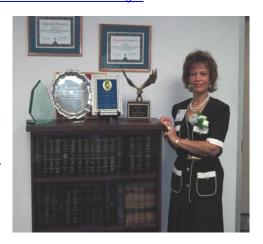
The United
States Small
Business
Administration
(U.S./SBA)
selected Ms.
McCullough to
receive V
Virginia's 2002
"Minority Small
Business
Advocate of the
Year" Award. For



The U.S./SBA's Annual Awards Luncheon on May 31st, 2002, at the Richmond Marriott. Pictured above, from left to right: U.S. Congressman Robert "Bobby" Scott; Allegra McCullough, Director of VDMBE, and the U.S./SBA's choice for 'Virginia's 2002 Minority Small Business Advocate of the Year'; Governor Mark Warner; and, Chuck Gastón, District Director for the U.S./SBA Richmond District Office.

this award, Ms. McCullough was acknowledged on May 31st, 2002 at the Annual Virginia Small Business Week Awards Luncheon, during which Governor Mark Warner was keynote speaker. For more information about the U.S./SBA's '2002 Small Business visit website: http://smallbusinesssuccess.sba.gov

Pictured:
Allegra McCullough
with awards from:
LOKA-USA; the
National Federation of
Black Women
Business Owners;
Minority Business &
Professionals Network,
Inc.; and, the
U.S./Small Business
Administration



MBE NEWS OBSERVER

THE MYTH OF FREE GOVERNMENT MONEY:
Don't become a victim of this hoax. Read of ...

The Urban Legend of free government grant money for entrepreneurs is a myth and unrealistic. The Federal government does not "give" money away and there is no such thing as a grant for starting or operating a for-profit business. Federal agencies like the SBA do not have drawers full of cash. There is no way, short of winning the Lottery or having rich relatives of getting around doing the hard work of obtaining capital for your business.

As small business owners, our clients are constantly doing the cash-flow shuffle. The availability of capital and access to operating cash to meet the day-to-day needs, or even for long-term growth and planning is the number one concern for MBE's. So, it is no wonder that when the opportunity to gain capital is presented, many entrepreneurs jump at the chance.

Many of you have seen the man on T.V with the loud question mark jacket in front of the Washington Monument yelling at the top of his lungs that there are billions of dollars in free government money to open up a coffee shop, or to go to college just waiting to be claimed by Joe or Jane Public. Others may have been lured to a "seminar" or finance and capital access for persons who want to start their own business, but who have credit problems or can't get a bank loan. All one has to do is pay some fee for this person's booklet or information and they will tell you how to claim this "free" money from the Government.

One such "financial seminar" was held here in Richmond last month. The fee to attend was \$10.00 and the announcement promised that participants would receive valuable information on free government grants to start a business. This seminar was for those folks who have bad credit or who want to start their own business, but do not

Spring/Summer 2002

have the money to do so. After paying the \$10.00 admission fee, a participant received a photo-copy of an SBA Lo-Doc application and several stapled pages about the person promoting the seminar. There were approximately 125 people at the "seminar", so this con man made over \$1,000 off the top. He talked in very broad terms about HUD loans and grants and other business grants that are available to small business owners. Of course, if someone wanted the details of these programs, they would have to purchase the book that this man had put together for a "special rate" of only \$250.00.

It should go without saying that all of the information this man had compiled could be found FOR FREE on the Internet or at the public library. He didn't tell the participants anything new or different that they could have found out on their own. They all could have saved their \$10.00 and gotten a nice lunch somewhere.

There are legitimate sources for obtaining capital for your business, besides the bank: Micro-loan programs, Venture Capital funds, SBA loans, and of course friends and family.

As advocates for MBE's and DBE's in this state, it is this agency's duty to report on these types of scams and cons. Access to capital is an ongoing issue for a number of our clients, because of several social and economic reasons that range from lack of credit to length of time in business. This agency has resources to help MBE's and DBE's obtain capital. We do this as a part of our mission, and we do it for FREE. For information about access to capital in Virginia, visit web address:

www.dba.state.va.us/financing/ or e-mail us: dmbe@dmbe.state.va.us

SAVE THE DATES: OCTOBER 20-22, 2002!

EMERGING BUSINESS FORUM (EBF) 2002

"Building Bridges, Breaking Barriers"

When: October 20-22, 2002
Where: Fairview Park Marriott
Falls Church, Virginia

What is the Emerging Business Forum (EBF)?

The EBF specializes in facilitating long-term partnerships between established businesses and emerging enterprises. These partnerships begin with a multi-day forum aimed at assisting emerging enterprises to network and to develop the infrastructure needed to capitalize on future opportunities. This year's forum will focus on four key program areas: education, finance, marketing and partnering. The goal of the forum is to provide access to capital, relationships, and knowledge that will drive your business forward. For more information about EBF 2002, visit website: www.emergingbusiness.org

Who Should Attend?

Both established businesses and emerging enterprises should attend *EBF* 2002. The forum is geared especially to executives whose companies are a minimum of two-to-five-years old with an established revenue stream.

To register: www.emergingbusinessforum.org or call (703)790-0304. If your business, organization or agency is interested in sponsorship of this event, call (703) 790-0304.



Stay plugged in, and you won't miss a drop of minority business information.

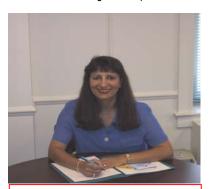
VDMBE wants to know: IF YOU ARE A MINORITY BUSINESS CLIENT, ORGANIZATION OR AGENCY RECEIVING INFORMATION FROM US . . . DO WE HAVE YOUR E-MAIL ADDRESS? IS YOUR MAILING INFORMATION UPDATED IN OUR AUTOMATED FILES? IF NOT . . . send your company's name, mailing information and e-mail address to: dmbe@dmbe.state.va.us

The Invisible Minorities in Virginia's Business Community . . . NATIVE AMERICAN BUSINESS OWNERS

The U.S. Department of Commerce's 1997 Survey of Minority Owned Business Enterprises (SMOBE)* ranked Virginia as number nine in the country for its number of minority-owned businesses. Still . . . according to Ronald Langston, Director of the U.S. Minority Business Development Agency (MBDA): "America's entrepreneurs play a vital role in the stability and prosperity of our national economy . . . The 1997 SMOBE report suggests that minority businesses have dramatically increased their participation in the domestic free enterprise system, and are a critical component of the U.S. business community. However, there remain significant disparities between minority and majority owned firms. . . our research clearly shows that disparity is pronounced for minority businesses as a whole . . . "

But what about disparities *between* minorities? If one takes note of the number of Native American (described as American Indian in the SMOBE report) owned businesses, compared with the numbers of other ethnic business owners in the U.S., Mr. Langston's statement of disparity is even more resounding. For example: of the 20,821,900 businesses in the United States, only 3,039,000 were minority owned; the following is a breakdown, by ethnicity, of the minority firms reporting to the SMOBE survey: 823,500 African Americans; 197,300 American Indian and Alaskan Natives; 913,000 Asian and Pacific Islander, and 1,199,900 Hispanics.

And . . . even closer to home, when compared with other ethnic groups registered in VDMBE's entrepreneurial databank, the number of Native American owned businesses certified with the Commonwealth of Virginia's Department of Minority Business Enterprise (VDMBE) are outnumbered



"Once Virginia's Indian Tribes receive federal recognition," says Reeva Tilley, (pictured above) Chair of the Virginia Council on Indians, "they will have access to federal funding for economic development."

ten to one. Even though VDMBE's certification program (see Back Page for information on this program) is a volunteer program, and does not claim to represent numbers for all minority-owned enterprises in the Commonwealth, the program does reflect current U.S. trends in ethnic communitiesmeaning, since 1992, there has been an everincreasing number of Asian and Hispanic owned firms doing business in the U.S. And though the Civil Rights Era of the 60s should have championed rights for all minorities . . . the 1997 SMOBE report states that minorities accounted for twenty-eight percent of the U.S. population, yet they only earned three percent of the nation's gross business receipts. And so . . . in year 2002, bridging the "capital divide" is still a struggle for economic rights for minorities—most particularly for the near 'invisible' minority . . . Native Americans.

When asked what *Virginia's* business communities could do to encourage Native American participation in the Commonwealth's enterprise system, Allegra McCullough, the Director of VDMBE said: "We can start by encouraging strategic partnerships." In fact, a previous edition of the *MBE News Observer* announced a newly-formed partnership between VDMBE and Virginia's Eight Native American Tribes. "When VDMBE initiated a partnership with Virginia's Eight Tribes," Ms. McCullough said, "we wanted to set a precedent that would encourage partnerships between majority owned companies and Native American owned businesses. And VDMBE must be more aggressive in our outreach and strategic assistance to *certify* Native American business owners, because this will help us to advocate even more on their behalf."

For the Native American perspective, the *MBE News Observer* (MNO) contacted Reeva Tilley—the Chair of Virginia's Council on Indians (VCI).

MNO: If you were asked to select *three* major issues affecting the Native American business community, what would they be?

Reeva Tilley: The first issue is Federal recognition for the tribes in Virginia. Another is marketing their goods and services so they can compete with other minorities. But the biggest issue, of course, is lack of working capital to assist in the start-up and maintenance of Native American owned businesses.

Spring/Summer 2002

MNO: How can federal recognition help Native American communities in Virginia? Reeva Tilley: Once Virginia's Indian Tribes receive federal recognition, they'll have access to federal funding for economic development. This will enable the Tribal governments to better serve their tribal members and surrounding non-Indian communities.

MNO: To those out side of Virginia's Native American Tribe communities, but supportive of their efforts to achieve federal recognition, what would you suggest they can do to assist?

Reeva Tilley: I would suggest they contact their Virginia Congressional Delegation voicing their support for federal recognition of the Virginia Indian Tribes. I would also ask that they consider using Native American businesses when procuring goods and services.

MNO: Ms. McCullough is encouraging successful majority and minority-owned companies to initiate partnering and mentorship relationships with Native American business owners (potential and established). However, due to past and even present history, Native Americans do not trust governments, as well as those outside of their communities—and rightly so. What would you suggest to help us move past this barrier? Reeva Tilley: Candidly, more efforts should be made by politicians along with state and local government officials, to foster cohesive relationships with Virginia's American Indian population. Many overlook us because we lack the population numbers of other minorities to make a difference at the voting polls. Our communities will learn to trust once promises are kept and people are sympathetic to our concerns and sincere when dealing with us.

MNO: What's coming up on the VCI agenda? Reeva Tilley: The VCI is very pleased that the General Assembly has approved a special license plate commemorating the contributions of American Indians and is now collecting applications for the initial 350 applicants needed for distribution of the special plate. The VCI is also compiling a list of American Indian owned businesses in the Commonwealth of Virginia. (An enrolled tribal member of a state or federally recognized Tribe must own the business to be listed in the publication.) To request an application for a license plate commemorating American Indians, call: (804) 225-2084. To inquire about VCI's upcoming list of American Indian owned businesses, e-mail: vci@gov.state.va.us

In the U.S. 2000 Census, 2.48 million people identified themselves as American Indian, up from 1.8 million in 1990.

Virginia's Eight Indian Tribes are:

The Chickahominy of Charles City
The Eastern Chickahominy of Providence Forge
The Mattaponi of West Point
The Monacan of Amherst
The Nansemond of Chesapeake
The Pamunkey of King William
The Rappahannock of King & Queen

The Upper Mattaponi of King William

VDMBE: HUMBLE BEGINNINGS; FIRST DIRECTOR RECIEVES AGENCY AWARD; CERTIFICATION NEWS



VDMBE's Humble Beginnings

The first of its kind in the United States, the Virginia Department of Minority Business Enterprise originated in 1972 as the *Office* of Minority Business Enterprise (OMBE) on the campus of Virginia State College in Petersburg. In 1974, by Executive Order under Governor Mills Godwin, Jr., OMBE became a permanent state agency; in 1975, legislation expanded the agency's mission, and OMBE became the *Virginia* Department of Minority Business Enterprise.

VDMBE First Director Acknowledged

During VDMBE's 2001 Annual Winter Networking & Awards Program, John Benjamin (J.B.) Harris, was presented an Award for outstanding contributions in the creation of the Virginia Department of Minority Business Enterprise. J.B. Harris was the agency's *first*, and *longest* serving Director—his tenure lasted from 1972 – 1982.

Pictured from left to right: VDMBE's *current* Director, Allegra McCullough and J.B. Harris, VDMBE's *first* Director

VDMBE CERTIFICATION NEWS

Effective as of April 1, 2002, VDMBE will certify any applicant who can provide valid certification documentation for their business from the following sources: the Small Business Administration (SBA) 8(a) program; any Department of Transportation (DOT) entity; and the State of Maryland.

VDMBE is the primary agency for state certification of minority and disadvantaged businesses. Certifying your business with VDMBE establishes your company as a *bonafide* minority, disadvantaged owned enterprise wanting to do business *in* and *with* the Commonwealth of Virginia. For more information on certifying your business with the Commonwealth of Virginia's Department of Minority Business Enterprise, e-mail: dmbe@dmbe.state.va.us or visit our website at: www.dmbe.state.va.us

Coming in the Fall/Winter 2002 edition:

Community Profile on MICHEL ZAJUR, CEO/PRESIDENT of the VIRGINIA HISPANIC CHAMBER OF COMMERCE

The Virginia Department of Minority Business Enterprise 200-202 N. Ninth Street -- 11th Floor Richmond, Virginia 23219